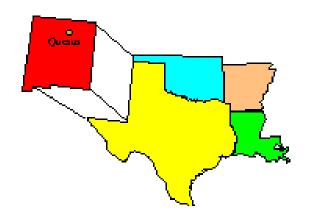
MOLYCORP, INC. Questa, New Mexico

EPA Region 6

EPA ID #: NMD002899094

Site ID: 0600806

State Congressional District: #3 Fact Sheet Update: October 2004



Site Description

Location:

- Mine site is located 4 miles east of Questa, Taos County, New Mexico
- Tailings ponds are located 1 mile west of Questa

Population:

- An estimated 1,100 people live within a mile of the tailings ponds.
- The permanent population within one mile of the mine site is limited to the owners of a small resort and the owners of a small cabin.

Setting:

• The site consists of an active molybdenum mine and milling facility on approximately 3 square miles of land owned by Molycorp. It also includes a tailings disposal site (tailings ponds) on approximately one square mile of land owned by Molycorp and a tailings pipeline running along State Highway 38 from the milling facility to the tailings ponds. The mine and tailings ponds are bounded to the south by the Red River, a tributary of the Rio Grande. The Red River is home to a state fish hatchery 2 miles downstream of the tailings ponds and is designated as a Wild and Scenic River in the vicinity of its confluence with the Rio Grande. Over the years numerous breaks in the pipeline resulted in the spilling of tailings into and along the flood plain of the Red River. The Site is proposed to the National Priorities List (NPL) primarily because of the threat to the Red River fishery and nearby endangered species habitats from uncontrolled acidic, metal-laden runoff and drainage (referred to as acid rock drainage or ARD) from the mine and the tailings ponds. Contaminants of concern include metals such as arsenic, cadmium, chromium, cobalt, lead, manganese, and zinc and sulfate.

Hydrology:

• Uncontrolled runoff and ARD from the mine site and the tailings ponds have the potential to discharge to the Red River and ground water.

Present Status and Issues _____

EPA approved Molycorp's Field Sampling Plan, a component of the work plans for the Remedial Investigation/Feasibility Study (RI/FS), and directed Molycorp to commence RI field activities in the Fall of 2002 as part of a multi-seasonal data collection effort. A field reconnaissance was conducted in late August, 2002, to survey proposed sampling locations and RI field activities began on September 25, 2002, and are ongoing. Field sampling continued through the Fall of 2003. EPA continues to review the remaining portions of Molycorp's RI/FS Work Plan, including the plan to investigate historic tailings spills.

Waste and Volumes _____

1. Principle pollutants: arsenic, cadmium, chromium, cobalt, lead, manganese and zinc.

2. Volume:

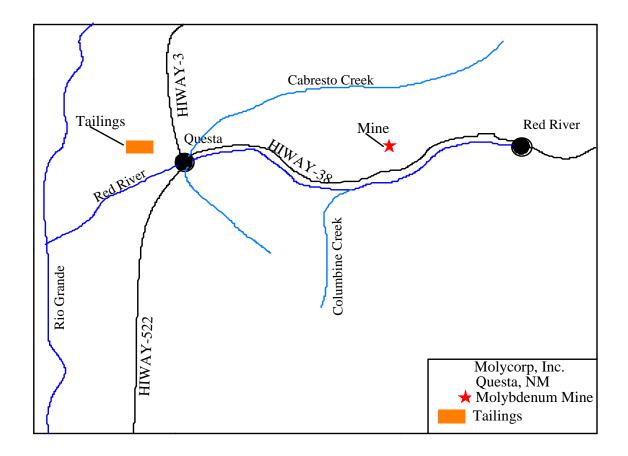
- Waste Rock 328 million tons placed in nine rock piles at the mine site
- Tailings 95 million tons placed in tailings ponds

National Priorities List _____

NPL Inclusion Proposal Date: May 11, 2000

NPL Inclusion Final Date: n/a NPL Deletion Proposal Date: n/a NPL Deletion Final Date: n/a

Site Map _____



Site History

- Underground mining operations began at the site in 1920
- Open pit mining commenced in 1965 and continued until 1983. Approximately 328 million tons of waste rock were excavated and deposited in nine large piles surrounding the open pit.
- The tailings facility and 9-mile pipeline were built in 1965, following the start of open pit mining.
- Beginning in the late 1970s, EPA and the Federal Bureau of Land Management (BLM) began documenting major impacts to the Red River due to mining and mining-related activities.
- In 1994/95, the New Mexico Environment Department (NMED) conducted an Expanded Site Investigation (ESI) on behalf of EPA. Based on those findings, it was concluded that there was a release or threat of release of hazardous substances (heavy metals) from the waste rock piles and tailings ponds to ground water and surface water.
- Site proposed to NPL on May 11, 2002
- Molycorp submits comments in opposition to that proposal on July 10, 2000
- Special Notice Letter for RI/FS issued November 6, 2000.
- Administrative Order on Consent for RI/FS was signed by EPA and Molycorp on September 27, 2001
- Molycorp submits RI/FS Work Plan on March 27, 2002
- EPA provides written comments on RI/FS Work Plan on June 18, 2002
- Molycorp submits revised RI/FS Work Plan on July 11, 2002
- RI Field Reconnaissance conducted in late August 2002
- Molycorp commences RI field activities on September 25, 2002
- EPA approves Field Sampling Plan, a component of the RI/FS Work Plan on October 4, 2002

Enforcement History _____

• EPA Administrative Order on Consent for Remedial Investigation/Feasibility Study; CERCLA Docket No. 6-09-01 issued to Molycorp on September 27, 2001.

Community Involvement _____

- Site Mailing List: 800 people
- EPA Community Meetings: June 22, 2000, November 12, 2002, August 27, 2003, June 22, 2004
- EPA Open House Meetings: Open House anticipated in December 2004
- ROD Public Comment Period:
- Proposed Sampling Plan Public Meeting: August 27, 2003,
- Site Status Fact Sheets: June 22, 2000, January 2003, June 22, 2004, September 2004
- Community Relations Plan: December 4, 2002; updated January 2004
- Constituency Interest: Nearby residents are concerned about human health, historic releases of tailings, and real estate values. The community is supportive of EPA efforts.
- Site Repository:

Village of Questa Buildings 2500 Old State Road 3 P.O. Box 260 Questa, NM 87556

Tel: 505-586-0694

Technical Assistance Grant

- Availability Notices: June 15, 2000, June 22, 2000
- Letters of Intent (LOI) Received:
 - June 19, 2000, July 20, 2000

Amigos Bravos (name changed to Rio Colorado Reclamation Committee (RCRC), June 24, 2000)

P.O. Box 238

Taos, NM 87517

or

P.O. Box 333

Questa, NM 87556

– June 23, 2000.

Rivers & Birds (withdrew LOI June 24, 2000)

P.O. Box 820

Arrroyo Seco, NM 87514

- August 28, 2000

Cerro Neighborhood Association DBA

P.O. Box 1076

Questa, NM 87556

- LOI Public Notice: August 3, 2000 (TAG award process put on hold until 2001 as EPA had not started remedial work)
- Final Application Received: 1st application received July 23, 2001 (deficient); December 17, 2001 provided applicant examples of "deliverables;" revised application dated June 6, 2002.
- Grant Award: 10/01/02 to RCRC
- Technical Advisors hired Azurite, Inc. and Steve Blodgett (Blodgett contract terminated) TAG Administrator: Patrick Nicholson, 505.751.3063. Compliance review was conducted and TAG is in compliance. Next post-award compliance review anticipated in December 2004.

Site Contacts _____

- Remedial Project Manager: Mark Purcell, 214.665.6707 or 800.533.3508, Mail Sta. 6SF-LP
- **Site Attorneys**: Michael Barra, 214.665.2143 or 800.533.3508, Mail Sta. 6RC-S; James Bove, 214.665.2794 or 800.533.3508, Mail Sta. 6RC-S
- Community Involvement Coordinator: Beverly Negri, 214.665.8157, Mail Sta. 6SF-PO
- State Coordinator: Kathy Gibson, 214.665.7196, Mail Sta. 6SF-LT
- **EPA Contractor**: RI/FS Oversight; CDM Federal Programs
- **EPA Region 6 Ombudsman**: Arnold Ondarza, 303.312.6777 or 800.533.3508